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1. All the information [] on the vessels which were received by the Soviets as war reparations is second-hand and was received from Smirnov (fnu), []

of Reydtanker, the petroleum shipping company

2. According to Smirnov the Soviets had received a great number of vessels at the end of the war, far more than they could ever have built themselves. The policy of the government had been to demand and take anything that resembled a vessel, without any regard either to its condition or any possible use for it. He gave two examples which illustrated this policy:

- a. The ex-German vessel, now called the Rossiya, was a 15 thousand ton ship with Diesel electric propulsion. She had made one voyage to the US in 1949 and ever since had been lying idle in Odessa.
- b. The Admiral Nakhimov, another ex-German vessel, had been idle in the harbor of Leningrad ever since its acquisition.

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3. The Soviet government has never felt the need for expanding its own merchant fleet. Before World War II, aside from the tankers on the Caspian Sea, there were very few vessels over 10 thousand tons. German and Italian reparations have largely satisfied the need for large cargo ships and for this reason there is no real incentive to build new merchant ships. Political and economic factors have also worked in the same direction. The decrease in foreign trade has diminished the need for large, ocean-going vessels. The Soviets are quite satisfied with this situation because they are reluctant to send their own ships and crews into ports where they come in contact with Western civilization. There is a clearly marked tendency to keep ships and crews of the Soviet Merchant Fleet in Soviet-controlled waters. The motto is, "Those who want to trade with us will bring over our imports and pick up our exports".

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